

CENTRAL INTELLIGENCE AGENCY

INFORMATION REPORT

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THE SOURCE EVALUATIONS IN THIS REPORT ARE DEFINITIVE.
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(FOR KEY SEE REVERSE)

- 25X1 1. Prior to the currency reform in October 1950, foreign currency was sent to Poland by relatives living abroad. Moreover, travelers coming to Poland also brought in foreign currency. At present, as a result of the reform, the depreciation of foreign and especially of Western currencies, and the extremely stringent regulations which threatened death for those who hoarded gold and foreign currencies, the influx of foreign currencies has been terminated and no one is willing to sell currencies such as dollars to banks, although dollars are still being sent into Poland from the United States.
2. The Polish Government, however, needs dollars and other foreign currencies. The regulations which were issued cannot now be recalled, since this would destroy the effect of official government statements. Therefore the Polish Government has created a currency black market. In order to encourage Poles to convert foreign currencies which they have and to assure them that they have nothing to fear, in offices of the Polish National Bank in large towns and in port towns, bank clerks ask their customers for foreign currencies; these transactions are not carried out at the bank counters, but a little to the side.¹ The following rates are offered:
- One dollar = 60 to 70 zloty (official rate, one dollar = 3,96 zloty)
One Swedish crown = 15 to 18 zloty
One pound sterling = 250 to 300 zloty
- Other currencies are bought at corresponding rates. The Belgian franc and the Dutch gulden are very much sought after, while among the Scandinavian currencies the Swedish crown is the most sought after.
- 25X1 3. a case in which a UB (Security Police) agent was present in a Gdansk (Danzig) bank when one such illegal dollar transaction took place. The agent halted the transaction and called the UB for help. Several UB men arrived and arrested three persons. An employee of the bank, who had been involved in the transaction, explained to the bank director who knew nothing of these transactions,

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STATE	X	ARMY	X	NAVY	X	AIR	X	FBI		AEC		Treas	X		
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25X1 in the presence of the UB men, that this was permissible practice. The arrested men were then immediately released, while the dollars were merely confiscated; a few days later, however, the man selling the dollars received their equivalent in Polish currency. [REDACTED] for the past three months it has not been dangerous to sell or buy dollars or Swedish crowns.

4. According to a rumor which is current in the Polish Merchant Marine, seamen will no longer, when in foreign ports, be paid in foreign currency. They have principally received dollars up until now. Poles will instead have to be satisfied with Polish currency and, moreover, they will not receive all their wages. Rather, they will get money "on account"; twice a year, accounts will be settled. Seamen saving the greatest amount of money will receive a reward, in accordance with an economy drive which is to begin soon.

25X1 [REDACTED] Comment: [REDACTED] it was easy to sell dollars
25X1 to the Polish National Bank without having to disclose their origin, but
the official rate of exchange was so low that no one takes advantage of the
possibility.

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